

(6) SURVEYS.(C) REPAYING GOVERNMENTAL AGENCIES.

(1) A DISTRICT MAY NOT PAY INTEREST ON MONEY BORROWED FROM A GOVERNMENTAL AGENCY UNDER THIS SECTION.

(2) IF A DISTRICT BORROWS FROM A GOVERNMENTAL AGENCY UNDER THIS SECTION, THE DISTRICT SHALL REPAY THE LENDING GOVERNMENTAL AGENCY:

(I) WHEN WORK BEGINS ON THE WATER SYSTEM OR SEWERAGE SYSTEM FOR WHICH THE BORROWING WAS MADE; AND

(II) ONLY FROM FUNDS OR BOND REVENUES THAT, UNDER THIS SUBTITLE, RELATE TO THE PROJECT.

REVISOR'S NOTE: This section is new language derived without substantive change from former Article 43, § 650(b)(16).

The Commission to Revise the Annotated Code calls the revision of this section and § 9-641 of this subtitle to the attention of the General Assembly. Former Article 43, § 650(b)(16) and (17), by using the former defined term "project", limited the scope of permitted borrowing to water systems and sewer systems. This limitation resulted from the former narrower definition of "project" in Article 43, § 645(1), i.e., to water systems and sewer systems. Because of the broader definition of "project" in § 9-601 of this subtitle, this section, as revised, authorizes the borrowing for solid waste disposal systems and solid waste acceptance facilities and effectuates the apparent legislative intent of Ch. 248, Acts of 1970 to extend the provisions of the former subtitle to the operation of solid waste disposal systems and solid waste acceptance facilities.

9-641. BORROWING FROM OTHER SOURCES.

(1) IF THE GOVERNING BODY OF EACH MEMBER COUNTY THAT HAS TERRITORY IN THE SERVICE AREA OF THE PROJECT APPROVES, A DISTRICT MAY BORROW MONEY AND PAY INTEREST TO PROVIDE INTERIM FINANCING FOR A PROJECT.

(2) BORROWING UNDER THIS SECTION MAY NOT BE FOR A PERIOD OF MORE THAN 5 YEARS.

(3) EACH MEMBER COUNTY THAT APPROVES A BORROWING UNDER THIS SUBSECTION SHALL GUARANTEE PAYMENT OF THE PRINCIPAL AND INTEREST IN THE SAME WAY THAT A COUNTY MAKES GUARANTEES UNDER PART VIII OF THIS SUBTITLE.